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IN THE

Supreme Court of the United States

OCTOBER TERM, 1938.

No. 166

THE TOLEDO PRESSED STEEL COMPANY,
Petitioner,

vs.

STANDARD PARTS, INC.,
Respondent.

No. 167

THE TOLEDO PRESSED STEEL COMPANY,
Petitioner,

vs.

HUEBNER SUPPLY COMPANY,
Respondent.

RESPONDENTS' BRIEF.

BAIR & FREEMAN,
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Attorneys for Respondents.

Wm. P. Bair

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The cases were tried together below.

The Court for the Northern District of Ohio, Western Division (Judge Hahn), held the claims in suit valid and infringed (R. 32).

The Sixth Circuit Court of Appeals on December 7, 1937, reversed the lower Court and held the claims invalid for lack of invention (R. 283).

Petitioner (plaintiff below), then filed in this Court its Petition for Writs of Certiorari in both cases.

The same patent was held invalid in Toledo Pressed Steel Company vs. Montgomery, Ward & Company by the District Court for the Eastern District of New York, and that case is now pending on appeal in the Second Circuit—(Petitioner's Motion to Defer Consideration of Petition for Writ of Certiorari, Page 18).

THE ISSUE.

The Petition for Certiorari, Page 7, states the issue thus—

"Whether a patentee who 'has added a new and valuable article to the world's utilities,' in order to sustain his patent against the defense of lack of invention, must prove affirmatively an 'effort general to the industry to solve a problem which long defied it' * * * in addition to proving that the patented device (a) promptly superseded older devices in use for similar purposes for many years, (b) is acceptable and largely used in fields not available to the older devices, (c) has resulted in a saving of more than 50% in the cost of operation over the older devices, and (d) that the patent has been recognized by a number of other manufacturers who have taken out licenses thereunder."

More briefly, the issue as stated by the Petitioner is—

"Whether a patentee * * * in order to sustain his patent against the defense of lack of invention must prove affirmatively 'an effort general to the industry to solve a problem which long defied it' * * *."

Respondents' Definition of the Issue.

Respondents believe the issue is better defined thus—

* * * Did the Sixth Circuit Court of Appeals in its statement complained of by the Petitioner lay down a rule that a patentee in order to sustain invention must prove affirmatively an "effort general to the industry to solve a problem which long defied it." * * *

We believe Respondents' definition of the issue is supported by the statement on Page 8 of the Petition:

"REASONS RELIED ON FOR GRANTING THE WRIT."

- • •
- 2. Because the decision of the Circuit Court of Appeals tends to establish a different rule as to lack of invention in combination claims from that established by this court."

Respondents' definition of the issue is also supported by the statement in Petitioner's Brief, Page 10 that:

"3. The said court erred in disregarding the presumption of validity arising from the granting of the patent and in placing on the petitioner the burden of affirmatively establishing validity instead of requiring respondents to establish invalidity."

ARGUMENT.

Respondents aver that Petitioner has not stated any issue justifying the grant of a Writ of Certiorari.

I.

The Record shows that the Court of Appeals laid down no rule that a patentee must prove affirmatively an "effort general to the industry to solve a problem which long defied it."

The chief ground for the decision of the Court of Appeals was lack of invention in view of the prior art.

"Stripped of variations in nomenclature, and in the ingeniously differentiated phrases of counsel in setting forth the claims, the invention is for a burner with a metal guard to protect the flame from air currents and rain. The art is full of illustration and description of metal guards for burners, typical of which are the patents to Almond, No. 193,796; Blake, No. 453,335; Kahn, No. 1,755,527; Heston, No. 270,587, and Hathaway, No. 147,496. The challenge to their pertinence must be repelled. There is sufficient suggestion in a burner guard when it is found in one familiar contrivance to point the way to its use in another. We have often observed that where an art is a specialized development of an older art the offspring is entitled to the previously disclosed useful characteristics of the ancestral estate. *Dunham Co. v. Cobb*, 19 Fed. (2d) 328; *Page Steel & Wire Co. v. Smith Bros. Hardware Co.*, 64 Fed. (2d) 512. A mere change in environment is not patentable unless invention may be found in the concept of the adaptation. *Willett Mfg. Co. v. Root Spring Scraper Co.*, 35 Fed. (2d) 858 (C. C. A. 6). In *Lakewood Engineering Co. v. Walker*, 23 Fed. (2d) 623, invention was found in the adoption of an element from a wholly unrelated art where differences in size, weight, strength, purpose and manner of use were such

that no effective suggestion could have been furnished by the old device. Even there the question was recognized as close, and we have indicated that beyond that we ought not to go. *Page Steel & Wire Co. v. Smith, supra.*" (R. 285.)

Thus it appears that the claims involved were held invalid on the ground that they involve no inventive advance over the disclosures of prior patents.

The absence of any showing of "an effort general to the industry to solve a problem" was only one fact considered by the Court, and was not the fact upon which invalidity was found.

The Statement in the Decree on which Petitioner urges a review here was made by the Court of Appeals in discussing Petitioner's (plaintiff's) argument that commercial success was persuasive of invention in spite of the showing in the prior patents.

"Once again support for validity is sought in demonstration of commercial success. We have seen that the plaintiff was already a successful manufacturer of open flame flares and torches before the alleged invention was made, extensively advertised as possessing the identical virtues of the device of the patent. Acceptance of licenses where royalty is relatively insignificant does not of itself establish patent validity. *Firestone Tire & Rubber Co. v. U. S. Rubber Co.*, 79 Fed (2d) 948, since as against strong manufacturers competitors frequently find it more expedient to yield to the claims of a doubtful patent than to undertake the expense and trouble of patent litigation. There is here no substantial evidence of effort general to the industry to solve a problem which long defied it. The proof is limited to experiments of the patentees, and so far as it goes it serves to demonstrate lack of awareness of the teachings of the art rather than the inherent difficulties of the problem itself. They chose the long road to solution, and the patent law does not reward mere persistence, unassociated with original creative effort." (R. 285).

The quoted portions of the opinion of the Court of Appeals show that the Court found that the patent involved no invention over the prior art.

Next the Court gave consideration to the plaintiff's effort to sustain validity by a showing of commercial success and incidental to that consideration made the statement upon which Petitioner relies.

It thus appears that there is nothing in the Decree laying down any rule that a plaintiff must sustain validity by affirmatively showing "an effort general to the industry to solve a problem."

II.

The quoted statement in the Decree is true,—to-wit that "There is here no substantial evidence of effort general to the industry to solve a problem which long defied it." (R. 286.)

Petitioner does not question the truth of this statement, but asserts that it laid down a rule that a patentee must prove such "effort general" in order to sustain the validity of his patent.

III.

The absence of " * * * effort general to the industry to solve a problem * * *" is a fact proper to be considered as bearing on the question of invention.

So far as we know, it has always been the accepted rule that where absence of novelty, and consequently absence of invention, appears, no showing of commercial success can give validity to a patent.

Duer v. Corbin Cabinet Lock Co., 149 U. S. 216, 13 S. Ct. 850.

(Syllabus, second paragraph).

"2. In view of this want of novelty, the fact that the Orum lock went into immediate, extended, and increasing use, while the prior locks were not commercially successful, will not avail to save the patent."

The Court of Appeals gave consideration to Petitioner's (plaintiff's) argument upon commercial success, and in connection with that consideration, it properly noted that there was no proof of effort general to the industry to solve a problem.

Such absence of effort and failure of proof are proper to be considered under such circumstances, as has been clearly indicated by this Court.

In. Paramount Publix Theatres, Inc. v. American Ergon Corporation, 295 U. S. 464 at 474, 55 S. Ct. 449 at 454, this Court recognized the propriety of considering such facts and said:

"Evidence of great utility of a method or device, it is true, may in some circumstances be accepted as evidence of invention. Where the method or device satisfies an old and recognized want, invention is to be inferred, rather than the exercise of mechanical skill. For mere skill of the art would normally have been called into action by the generally known want."

"But the state of the motion picture art, as it is disclosed by the present record, indicates that there was no generally recognized demand for any type of film record, for the reproduction of sound to accompany motion pictures, until after the present patent was applied for. See *Hollister v. Benedict & Burnham Mfg. Co.*, 113 U. S. 59, 73, 5 S. Ct. 717, 28 L. Ed. 901."

It thus appears that the Court of Appeals in that portion of its opinion complained of by the Petitioner did not "establish a different rule as to lack of invention in combination claims from that established by this Court" as urged in the Petition, Page 8, Reason 2.

Respondents therefore respectfully ask that the Petition
for Writs of Certiorari be denied.

STANDARD PARTS, INC.,

and

HUEBNER SUPPLY COMPANY,

Respondents.

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